

AGENDA



Recommendation for Council Action

AUSTIN CITY COUNCIL
Regular Meeting: June 14, 2018

Item Number: **040**

Purchasing Office

Authorize negotiation and execution of a multi-term contract with PeopleFund, or one of the other qualified offerors to Request for Proposals 5500 EAL0300, to provide small business coaching and technical assistance, for up to five years for a total contract amount not to exceed \$400,000. (Note: This solicitation was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement Program. For the services required for this solicitation, no subcontracting opportunities; therefore, no subcontracting goals were established).

Lead Department	Purchasing Office.
Fiscal Note	Funding in the amount of \$26,700 is available in the Fiscal Year 2017-2018 Operating Budget of Economic Development Department. Funding for the remaining contract term is contingent upon available funding in future budgets.
Purchasing Language	The Purchasing Office issued a Request for Proposals (RFP) 5500 EAL0300 for these services. The solicitation issued on October 30, 2017 and it closed on November 28, 2017. Of the seven offers received, the recommended contractor submitted the best evaluated responsive offer. A complete solicitation package, including a log of offers received, is available for viewing on the City’s Financial Services website, Austin Finance Online. Link: Solicitation Documents <https://www.ci.austin.tx.us/financeonline/vendor_connection/solicitation/solicitation_details.cfm?sid=121048> .
For More Information	Inquiries should be directed to the City Manager’s Agenda Office, at 512-974-2991 or AgendaOffice@austintexas.gov < mailto:AgendaOffice@austintexas.gov > NOTE: Respondents to this solicitation, and their representatives,

	shall continue to direct inquiries to the solicitation's Authorized Contact Persons: Liz Lock, at 512-974-2034 or Liz.Lock@austintexas.gov <mailto:Liz.Lock@austintexas.gov>or Claudia Rodriquez, at 512-974-2959 or ClaudiaR.Rodriquez@austintexas.gov <mailto:ClaudiaR.Rodriquez@austintexas.gov>.
Client Department(s)	Economic Development Department.

Additional Backup Information:

The contract will provide one-on-one coaching and technical assistance to small business owners and entrepreneurs. The Contractor will coach City-referred clients on starting a business, writing a business plan, developing marketing plans and financial management, as well as assessing client readiness to apply for a commercial loan and assisting with preparing the loan application.

The City's Small Business Program (SBP), a division of the Economic Development Department, has supported the creation and growth of local small businesses since 2000. SBP provides services, resources, and information to the City's business owners and individuals aspiring to become business owners. One of the most important services provided by SBP has been one-on-one coaching and technical assistance, which helps business owners solve problems and learn new skills that help them start, sustain, and grow their business. Small businesses make a vital contribution to the City's communities by creating new jobs, providing needed goods and services, and increasing the local tax base.

The annual performance goals for this contract include achieving client satisfaction ratings, completing lending readiness assessments, assisting clients with completing business plans, starting new businesses, and creating new jobs. The Contractor will report on clients achieving expansion of physical facilities, expansion of equipment or technology, opening of additional locations, expansion into a new geographic market, sales of new products or services, and sales to new types of clients.

This is the first contract for this service for the City. The requested authorization amount was determined using departmental estimates that the Contractor can deliver 800 to 1,000 hours per year of technical assistance, which is comparable to production under similar programs in years past.

An evaluation team with expertise in this area evaluated the offers and scored PeopleFund as the best to provide these services based on demonstrated expertise in delivering coaching and technical assistance, demonstrated experience in managing comparable programs, personnel qualification and management structure, strength of work plan, cost, local business presence and service disabled-veteran enterprise status.

This request allows for the development of a contract with a qualified offeror selected by Council. If the City is unsuccessful in negotiating a satisfactory contract with the selected offeror, negotiations will cease with that provider. Staff will return to Council so that another qualified offeror may be selected, authorizing new contract negotiations.

Contract Detail:

<u>Contract Term</u>	<u>Length</u>	<u>Contract Authorization</u>
Initial Term	2 yrs.	\$160,000
Optional Extension 1	1 yr.	\$ 80,000
Optional Extension 2	1 yr.	\$ 80,000
Optional Extension 3	1 yr.	\$ 80,000
TOTAL	5 yrs.	\$400,000

Note:Contract Authorization amounts are based on the City's estimated annual usage.